

19 October 1983

Ms. Anita Pandolfi
106 Hurley Road
Oxford, Conn. 06483

Please refer to the "Volcano Project Agreement" of 28 December 1973 which contemplated the sale of a project for the production of a film based on the novel "Under the Volcano" by Malcolm Lowry.

As you were periodically informed, we never could sell this project, so it was decided, with your approval, to dispose of our cinematographic rights to the novel, which were sold last march for a total price of 195,000 dls. collected in September 1983.

The liquidation of our association has been established as per the attached statement, I shall complete payment of the last estimated expenses very shortly. If there should be any difference from the present estimates, this will be adjusted in the final payment I will make to you.

I am very sorry about the registered loss on this business.

Yours sincerely,

Serge Pey

VOLCANO PROJECT AGREEMENT

Profit & Loss and Investment Recuperation

PROFIT & LOSS

Novel rights purchase		\$ 130,000.00
Spanish screenplay	32,587.66	
English revision	10,000.00	
Mrs. Lowry's opinion	750.00	
N. York lawyer's fees	26,837.44	
Travel, telephone, office, etc.:		
Corp. Cinemat. Coyoacan, S. A.	16,195.60	
Ollin, S. A. (estimated)	7,629.30	
L. Barranco expenditures	4,000.00	
		<u>98,000.00</u>
Total cost and expenses		228,000.00
Novel rights sale		<u>195,000.00</u>
Net loss		(33,000.00)
Partnership investment		<u>130,000.00</u>

INVESTORS RECUPERATION

	Original Investment	Recuperation
Anita Pandolfi	\$ 25,000	18,654
Bertha Navarro	6,000	4,477
Alfonso Madrigal	32,000	23,877
Luis Barranco	32,000	23,877
Serge Fay	35,000	26,115
	<u>\$ 130,000</u>	<u>\$ 97,000</u>